

## State of Utah Department of Commerce Division of Securities

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## **NEWS RELEASE**

## PROPERTY INVESTMENT PROMOTER PLEADS GUILTY TO FRAUD

March 13, 2006. Salt Lake City, Utah . . . . Utah Attorney General Mark A. Shurtleff and Francine A. Giani, Executive Director of the Utah Department of Commerce announced that Zell Lou Mills pleaded guilty to three felony charges of securities fraud. Mills was sentenced to up to five years in prison and ordered to pay \$185,167.50 in restitution. Mills, 58, is from South Jordan.

In June 2004, the Utah Attorney General filed charges against Mills alleging he engaged in fraud when selling stock of DDS Technologies to employees of Intermountain Health Care. According to the criminal charges, Mills falsely claimed to have been a stockbroker and promised the price of DDS stock shortly would rise to \$10 a share. Mills failed to deliver any shares to the purchasers. Mills also was charged with taking \$160,000 from other investors for an investment trading program that promised to double investor money within three months.

Investors were falsely told there was no risk associated with the trading program. Mills also told investors that the program was legal when, in fact, the securities being sold were not registered and Mills had never been licensed to sell securities. Investors were not told that Mills two prior criminal convictions (for issuing bad checks and for bank fraud), had declared bankruptcy twice, and had 44 unpaid judgments against him for \$46,000. Much of the money taken from investors was used by Mills for personal expenses and was never put into trading programs. One of the investors had to sell his home because of the money given to Mills.